

R307. Environmental Quality, Air Quality.

R307-120. General Requirements: Tax Exemption for Air and Water Pollution Control Equipment.

R307-120-1. Application.

Application for certification shall be made on forms provided by the State Department of Environmental Quality, and shall include all information requested thereon and such additional reasonably necessary information as is requested by the executive secretary of the Air Quality Board or the executive secretary of the Water Quality Board.

R307-120-2. Eligibility for Certification.

Certification shall be made only for taxpayers who are owners, operators (under a lease) or contract purchasers of a trade or business that utilizes Utah property with a pollution control facility to prevent or minimize pollution.

R307-120-3. Review Period.

Date of filing shall be date of receipt of the final item of information requested and this filing date shall initiate the 120-day review period.

R307-120-4. Conditions for Eligibility.

(1) All materials, equipment and structures (or part thereof) purchased, leased or otherwise procured and services utilized for construction or installation in a water or air pollution control facility shall be eligible for certification, provided:

(a) such materials, equipment, structures (or part thereof), and services installed, constructed, or acquired result in a demonstrated reduction of pollutant discharges or emission pollutant levels, and

(b) the primary purpose of such materials, equipment, structures (or part thereof), and services is preventing, controlling, reducing, or disposing of water or air pollution.

(2) The above includes expenditures which reduce the amount of pollutants produced as well as expenditures which result in removal of pollutants from waste streams. The materials, equipment, structures (or part thereof), and services that are necessary for the proper functioning of air or water pollution control facilities meeting the requirements of (1)(a) and (b) above, including equipment required for compliance monitoring, shall be eligible for certification.

R307-120-5. Limitations on Certification.

Applications for certification shall be certified by the executive secretary of the Air Quality Board or the executive secretary of the Water Quality Board after consultation with the State Tax Commission and only if:

(1) Air Quality.

(a) the air pollution control facility in question has been reviewed and approved by the executive secretary of the Air Quality Board for those air pollution sources needing review in accordance with R307-401, or

(b) the air pollution control facilities installed, constructed, or acquired are the result of the requirements of these rules (permits by rule) or the State Implementation Plan.

(2) Water Quality.

(a) plans for the water pollution control facility in question require review and approval by the Water Quality Board and have been so approved, or

(b) the water pollution control facility is specifically required by the Water Quality Board, including facilities constructed for pretreatment of wastes prior to discharge to a public sewerage system in accordance with R317-8-8.1, but excluding facilities which are permitted by rule under R317-6-6.2 (Ground Water Discharge Permit by Rule) unless required to obtain an individual permit by the Water Quality Board, or

(c) the water pollution control facility is required and permitted by another statutory board within the Department of Environmental Quality, or

(d) the water pollution control facility eliminates or reduces the discharge of pollutants which would be regulated by the Water Quality Board, if such pollutants were discharged.

R307-120-6. Exemptions from Certification.

The following items are specifically not eligible for certification:

(1) materials and supplies used in the normal operation or maintenance of the water or air pollution control facilities;

(2) materials, equipment, and services used to monitor ambient air or water, unless required for a permit or approval from a statutory board within the Department of Environmental Quality;

(3) materials, equipment, and services for collection, treatment, and disposal of human wastes, unless the primary purpose of such materials, equipment and services is the treatment of industrial wastes;

(4) materials, equipment and services used in removal, treatment, or disposal of pollutants from contaminated ground water, if the applicant caused the ground water contamination by failing to comply with applicable permits, approvals, rules, or standards existing at the time the contamination occurred; and

(5) air conditioners.

R307-120-7. Duty to Issue Certification.

Upon determination that facilities described in any application under R307-120-1 satisfy the requirements of these rules and Sections 19-2-123 through 19-2-127 the executive secretary of the Air Quality Board or the executive secretary of the Water Quality Board shall issue a certification of pollution control facility to the applicant.

R307-120-8. Appeal and Revocation.

(1) A decision of the executive secretary of the Air Quality Board may be reviewed by filing a Request for Agency Action as provided in R307-103-3. A decision of the executive secretary of the Water Quality Board may be reviewed by filing a Request for

Agency Action as provided in the administrative rules for Water Quality, R317.

(2) Revocation of prior certification shall be made for any of the circumstances prescribed in Section 19-2-126, after consultation with the State Tax Commission.

KEY: air pollution, tax exemptions, equipment*

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